



UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
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June 1, 2017

VIA ECF

Hon. Vernon S. Broderick  
United States District Judge  
Thurgood Marshall Courthouse, Room 415  
40 Foley Square  
New York, NY 10007

Re: SEC v. Galanis, et al.;  
No. 15 Civ. 7547 (VSB)

Dear Judge Broderick:

We represent the Plaintiff, Securities and Exchange Commission ("Commission"), in the above-referenced matter.

As directed by the Court's endorsed Order, entered December 1, 2015 (DE 19) (the "Stay Order"), on the parties' Stipulation and Order staying the instant matter pending resolution of a parallel criminal case filed against Defendants, the Commission provides the following status letter.

As detailed in our previous status reports, each of the defendants in the parallel criminal action, United States v. Galanis, et al., 15 Cr. 643 (PKC) (S.D.N.Y.) ("Criminal Action"), has pled guilty to or been convicted of various criminal charges.<sup>1</sup> As of today, judgments have been entered with respect to all but Gary Hirst, who is scheduled to be sentenced on June 12, 2017, and Gavin Hamels, whose sentencing has not yet been set.<sup>2</sup> Restitution orders have been entered against John Galanis, Jason Galanis and Derek Galanis.

Accordingly, we respectfully propose that we notify the Court when the last judgment is entered in the Criminal Action and that the Court set a scheduling conference for as soon thereafter as possible. If there is a delay in the Criminal Action, the Commission will file its next

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<sup>1</sup> The criminal indictment names a seventh defendant, Ymer Shahini, who is not named in the Commission's complaint, and who remains at large. The Stay Order does not condition the lifting of the stay on any judgment being entered with respect to Shahini.

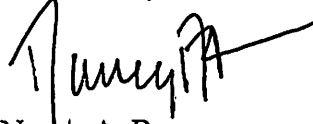
<sup>2</sup> Hamels previously entered into a consent Judgment in this action, consenting to the imposition of injunctive relief against him, and agreeing to leave to later motion or settlement the resolution of the Commission's claims for monetary relief against him. (DE 24.)

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status report on September 1, 2017, or on whatever earlier date the Court directs.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Nancy A. Brown", with a long horizontal stroke extending to the right.

Nancy A. Brown

cc: All Defendants via email or overnight mail